(b) if so, the details thereof;

(c) whether proper valuation of such PSUs has since been completed; and

(d) if not, on what basis the disinvestment will take place in these PSUs?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Yes, Sir.

(b) The Companies slated for disinvestment during the year 2001-02 include Bharat Heavy Plates & Vessels Limited (BHPV), CMC Limited, IBP Co. Limited, Indian Petrochemicals Corporation Limited (IPCL), India Tourism Development Corporation (ITDC), Instrumentation Control Valves Limited (ICVL), Jessop & Co. Limited, Maruti Udyog Limited, NEPA Limited, HTL Limited, Hindustan Zinc Limited, Hotel Corporation of India Limited and Videsh Sanchar Nigam Limited (VSNL). Out of these, the disinvestment process in HTL Limited and CMC Limited, has been completed. The Disinvestment process in ITDC (1st tranche) and Hotel Corporation of India Limited has also been partially completed.

(c) Disinvestment of Government equity in PSUs is carried out through a transparent process which *inter-alia* involves open competitive bidding, valuation of the enterprises etc. In each case of disinvestment this procedure is followed.

(d) Does not arise in view of reply to (c) above.

Disinvestment plan regarding ITDC and HCI Hotels

751. SHRI PREM CHAND GUPTA: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether it is a fact that Government have adopted a flexible approach in its disinvestment plans in the case of ITDC and HCI Hotels.

(b) whether two of the better performing hotels in Delhi and Bangalore are being offered on lease while the remaining six are to be sold outright;

(c) whether the funds that accure from the sale of five hotels will go to Air India to enable it to clean up its balance sheet prior to its disinvestment; and

(d) if so, the details of these plans?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) and (b) The process of disinvestment in both India Tourism Development Corporation Limited (ITDC) and Hotel Corporation of India (HCI) has been taken up following the acceptance of the recommendations of the Disinvestment Commission by

the Government. The Government's disinvestment plan in respect of the hotel properties/businesses of ITDC and HCI is as under:—

India Tourism Development Corporation Limited (ITDC)

(i) Four hotel properties, *viz.*, Hotel Ashok, Delhi, Hotel Samarat, Delhi, Hotel Ashok, Bangalore and Lalitha Mahal Palace Hotel, Mysore would be demerged into a separate company with the existing shareholding pattern as that of ITDC and given on long-term lease-cum-management contract basis. It is envisaged that each of these properties are to be given separately to bidders.

(ii) The remaining 22 hotel properties including 6 hotels located at Delhi would be demerged into separate companies having shadow shareholding pattern as that of ITDC for the limited purpose of disinvestment of 100 per cent Government equity. Each of these properties would be transferred to the respective demerged companies after a buyer for the particular property is selected through the disinvestment process. It is envisaged that all the properties proposed for 100 per cent disinvestment would also be sold individually.

Hotel Corporation of India (HCI)

The following hotel and air catering businesses of HCI are to be sold individually on slump sale basis:—

(1) Centaur Hotel Airport, Mumbai
(2) Centaur Hotel Airport, Delhi (including Chefair Delhi)
(3) Centaur Hotel Juhu Beach, Mumbai
(4) Chefair, Mumbai
(5) Indo Hokke Hotels Ltd. (Centaur Rajgir).

(c) and (d) HCI is a subsidiary of Air India Ltd. Hence, the proceeds from its disinvestment would accrue to Air India Ltd. Disinvestment in HCI is being carried out in accordance with the declared policy of the Government.

Valuation of IPCL

752. SHRIMATI CHANDRA KALA PANDEY:
SHRI DIPANKAR MUKHERJEE:

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government's attention has been drawn to the news-item captioned "Fresh bids of IPCL sell off", which appeared in the Telegraph, dated the 8th November, 2001;